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Joint Committee on Finance *100TH ANNIVERSARY 1911 - 2011*

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative Robin Vos

Date: August 31, 2011

Re: DHS Report to JFC

Attached is a report on the employment of county employees with the state to provide services for Milwaukee Enrollment Services (MILES) from the Department of Health Services, pursuant to Wisconsin Act 32, Section 9121(7u).

This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

AD:RV:jm



State of Wisconsin
Department of Health Services

Scott Walker, Governor
Dennis G. Smith, Secretary

RECEIVED
AUG 31 2011
BY: J. FINANCE

August 31, 2011

The Honorable Alberta Darling, Senate Co-Chair
Joint Committee on Finance
Room 317 East, State Capitol
Madison, WI 53702

The Honorable Robin Vos, Assembly Co-Chair
Joint Committee on Finance
Room 309 East, State Capitol
Madison, WI 53702

Dear Senator Darling and Representative Vos:

As you know, 2011 Act 32, the 2011-13 Biennial Budget Act, made a number of changes to Medicaid and FoodShare eligibility administration both in Milwaukee County and statewide. In the Milwaukee Enrollment Services (MILES) unit, the most significant change is that the budget replaces county workers currently in the unit with new state positions. To facilitate the transition to state positions, Act 32, Section 9121(7u), directs the Department to discuss with Milwaukee County any issues relating to the employment of county employees with the state to provide services for MILES. Section 9121(7u) also requires DHS to report to the Joint Committee on Finance on this issue within 60 days of passage of the budget.

Since Act 32 was enacted, the Department has had ongoing communications with Milwaukee County officials and with county workers in MILES about the Act 32 provisions and the transition to state staff. On July 19, I wrote to Milwaukee County Executive Chris Abele and Board Chairman Lee Holloway regarding the provisions, the status of current county MILES workers, and the recruitment process for state positions. I have attached those letters.

Deputy Secretary Kitty Rhoades and Executive Assistant Kevin Moore have met with six members of the Senate and 13 members of the Assembly from the Milwaukee area or their staff to discuss the transition.

Department staff have also met with the Milwaukee County human resources director, the county department of health and human services human services director, county legal counsel, and county employment relations director.

In addition, on August 22, I spoke with Executive Abele and County Administrative Services Director Patrick Farley to follow up on questions they had. We will continue to work on resolving any outstanding issues related to the transition.

Act 32 Provisions

Act 32 provides that county workers previously hired into state MILES positions who had elected to remain in the county retirement system shall transfer into the Wisconsin Retirement System once they become vested in the county system.

In addition, Act 32 includes the following provisions regarding current Milwaukee County employees who choose to apply and may be hired into state MILES positions:

Seniority: Time worked under Milwaukee County will count towards the employee's state seniority.

Annual Leave: Will be based on the employee's state seniority date as prescribed under state law or applicable bargaining agreement.

Sick Leave Accrual: Leave that has been accrued as a Milwaukee County employee will be used to calculate the employee's state sick leave balance.

Retirement: Employees will remain in the Milwaukee County retirement system until becoming vested (for most employees, this is 5 years of service). During this time, the state will fund the employer share of the pension contribution for those employees. Once vested in the county retirement system, the employee will automatically be transferred to the Wisconsin Retirement System.

Recruitment Process

The budget provides MILES with a total of 385 FTE state positions, an increase over the current 59 state positions in the unit. The Department has begun the hiring process for the new positions, which will include Income Maintenance Specialists, Human Services Program Coordinators, supervisory, and various office and operations support positions. Current Milwaukee County employees will be certified as "eligible" for appointment consideration to an equivalent state position, but will be required to compete through a formal interview process. In the event an employee wishes to be considered for a position other than one equivalent to his or her current Milwaukee County position, he or she will be required to compete through a formal examination process in order to be certified as eligible for the position. A written examination for the Income Maintenance Specialist positions for these employees and any external applicants was held on Saturday, August 13th and Monday, August 15th. A total of 1694 applicants registered to take the exam and approximately 900 took the exam. Interviews for applicants who scored satisfactorily on the exam will be held in early September.

Examinations for all other positions will be administered through an online applications process in September and October.

MILES has a number of vacant county positions. New applicants who successfully complete the exam and interview process will be hired into state positions as soon as possible to replace the vacant county positions. The majority of existing county workers who successfully complete the interview process will transition to state positions effective January 1, 2012. They will be required to resign from their county positions by December 30th. The Department plans to provide the Milwaukee County Human Resources Department with a list of employees who have

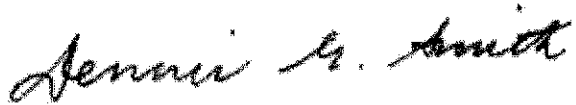
Senator Darling and Representative Vos
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not been selected for hire by the end of November. These employees will continue to work in county MiLES positions until the end of the year.

As of July 2011, there are 220 county employees working in MiLES. Based on the most current information available to us, 160 employees are vested in the county retirement system. Seven MiLES state employees are former county employees who chose to remain in the county retirement system, and all were vested in the system. One employee has returned to county employment.

I appreciate the opportunity to share this information with you. If you have any additional questions about the transition to state positions in MiLES, please contact me or my staff.

Sincerely,

A handwritten signature in cursive script that reads "Dennis G. Smith".

Dennis G. Smith
Secretary

cc: Members of the Joint Committee on Finance